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Television Direct Response Marketing

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8 December 93

The Honorable Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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Dear Ms. Searcy:

Limitation on Commercial Time on TV Broadcast Stations
MM Docket No. 93-254

I am writing you because I am in complete opposition to the suggestion in the Commission's Notice of Inquiry that time limitation should be reimposed on the amount of commercial matter broadcast by television stations.

I am an independent consultant to the television direct response industry. I consult on all aspects from product review and early planning through production and media management. I have spent my entire professional life emersed within the television direct response industry, both with infomercials and the traditional 120-second spots. An action like this would effectively place me out of business and leave few career options.

I have been involved in this industry for nearly fifteen years now. I truly was the earliest of the pioneers of the infomercial format. I actively sold the concept's benefits and values to broadcast stations and cable networks alike.

Television direct response marketing was built on the premise that the more you educate a consumer, the better the buying decision they can make and the more satisfied they will be with their purchase. Infomercials provide the best evidence of educating a consumer. After all, when was the last time you visited a retail location and was provided a 30-minute presentation of key product benefits by an educated and qualified salesperson? The infomercial provides consumers with facts. If this statement wasn't true, we wouldn't have

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seen the tremendous growth this industry has experienced, because without orders from consumers, there would be no 30-minute advertisers.

Another benefit of this unique advertising format has been the entry and expansion of new cable networks, local independents and low-power stations. Even network affiliates and established independents have prospered. The fact is, infomercial and direct response revenues have virtually launched every cable network in existence today. The same holds true for new independents. And we all know, the broadcast industry took a few lumps in the late 80's - and where did they find new sources of revenue to meet their cash flow shortages - infomercial income.

It's true, many would probably never admit it. But all one has to do is calculate the weekly revenues from the total infomercial airtime offered on a station to realize the value to the broadcast industry. Stations and networks could never replace that volume with traditional advertisers at two in the morning. Take it one step further, deduct this income from their P&L statements and let's see how many are still in the black.

Simply, we are a key reason consumers have so many viewing options afforded to them. Our industry, in a roundabout way, has subsidized it.

Long-form advertising exists in many formats. It is an effective means to get the advertiser's message across. Newspapers, magazines, direct mail and now television, shows just how popular this form of free speech is when it comes to selling products. No medium should be any more restricted than any other. And as long as the advertising is truthful (we have regulations already in force to protect consumer from the charlatans), then provides a service to those who watch and read it. That is a consumer's freedom of choice and constitutional right to do so. Just as it is for them to change channels if they so desire.

For the reasons I've stated herein, I believe the Commission should not initiate reimposing time limits on the broadcast of commercial matter. There is no justification for such an action. Thank you for your time.

Sincerely yours,



Frank Cannella
President